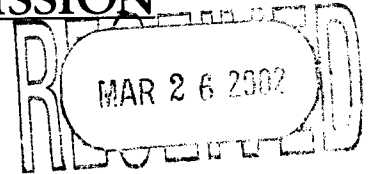


4/3/02 2001 assessment db update cm

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ARIZONA CORPORATION
COMMISSION



ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

F

W-01654A
FARMERS WATER COMPANY
P. O. BOX 7
SAHUARITA AZ 85629-0007

ANNUAL REPORT

FOR YEAR ENDING

| | | |
|---|----|------|
| 9 | 30 | 2001 |
|---|----|------|

FOR COMMISSION USE

| | |
|-------|----|
| ANN04 | 01 |
|-------|----|

Processed by:

4/3/02 cm

SCANNED

COMPANY INFORMATION

| | | |
|--|--|--|
| Company Name (Business Name) <u>FARMERS WATER CO.</u> | | |
| Mailing Address <u>P.O. Box 7 (1525 E. Sahuarita Rd.)</u> | | |
| <u>Sahuarita</u> (City) | <u>AZ</u> (State) | <u>85629</u> (Zip) |
| <u>520-791-2852</u> Telephone No. (Include Area Code) | <u>520-791-2853</u> Fax No. (Include Area Code) | <u>N/A</u> Pager/Cell No. (Include Area Code) |
| Email Address <u>N/A</u> | | |
| Local Office Mailing Address <u>P.O. Box 7 (1525 E. Sahuarita Rd.)</u> | | |
| <u>Sahuarita</u> (City) | <u>AZ</u> (State) | <u>85629</u> (Zip) |
| <u>520-791-2852</u> Local Office Telephone No. (Include Area Code) | <u>520-791-2853</u> Fax No. (Include Area Code) | <u>N/A</u> Pager/Cell No. (Include Area Code) |
| Email Address <u>N/A</u> | | |

MANAGEMENT INFORMATION

| | | |
|--|--|---|
| Management Contact: <u>Warren E. Culbertson</u> | | <u>CEO</u> |
| (Name) | | (Title) |
| <u>1525 E. Sahuarita Rd.</u> (Street) | <u>Sahuarita</u> (City) | <u>AZ</u> (State) |
| <u>85629</u> (Zip) | | |
| <u>520-791-2852</u> Telephone No. (Include Area Code) | <u>520-791-2853</u> Fax No. (Include Area Code) | <u>520-400-2111</u> Pager/Cell No. (Include Area Code) |
| Email Address <u>N/A</u> | | |
| On Site Manager: <u>John (Jack) Miller</u> | | |
| (Name) | | |
| <u>1525 E. Sahuarita Rd.</u> (Street) | <u>Sahuarita</u> (City) | <u>AZ</u> (State) |
| <u>85629</u> (Zip) | | |
| <u>520-791-2852</u> Telephone No. (Include Area Code) | <u>520-791-2853</u> Fax No. (Include Area Code) | <u>520-444-7820</u> Pager/Cell No. (Include Area Code) |
| Email Address <u>N/A</u> | | |

Statutory Agent: T. Patrick Griffin

(Name)

1 South Church Ave.

(Street)

Tucson

(City)

AZ

(State)

85701

(Zip)

520-791-3836

Telephone No. (Include Area Code)

520-624-5080

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: Same as above

(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☒ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

Company Name: FARMERS WATER CO.

Year Ending:

9/30/2001

UTILITY PLANT IN SERVICE

| Acct No | | Original Cost (1) | Accumulated Depreciation (2) | O.C.L.D. (1) - (2) |
|------------|--------------------------------------|-------------------------|------------------------------------|-----------------------|
| 301 | ORGANIZATION | - | - | - |
| 302 | FRANCHISES | 6,893 | - | 6,893 |
| 303 | LAND AND LAND RIGHTS | - | - | - |
| 304 | STRUCTURES AND IMPROVEMENTS | 16,000 | 8,817 | 7,183 |
| 307 | WELLS AND SPRINGS | 172,410 | 72,545 | 99,865 |
| 311 | ELECTRIC PUMPING EQUIPMENT | 160,570 | 87,214 | 73,356 |
| 320 | WATER TREATMENT EQUIPMENT | 9,490 | 7,232 | 2,258 |
| 330 | DISTRIBUTION RESERVOIRS & STANDPIPES | 425,000 | 249,685 | 175,315 |
| 331 | TRANSMISSION AND DISTRIBUTION MAINS | 2,074,019 | 426,158 | 1,647,861 |
| 333 | SERVICES | 289,714 | 36,328 | 253,386 |
| 334 | METERS | 110,178 | 32,184 | 77,994 |
| 335 | HYDRANTS | 131,481 | 15,004 | 116,477 |
| 339 | OTHER PLANT & MISCELLANEOUS EQP | - | - | - |
| 340 | OFFICE FURNITURE AND FIXTURES | 14,440 | 9,935 | 4,505 |
| 341 | TRANSPORTATION EQUIPMENT | 19,247 | 13,866 | 5,381 |
| 343 | TOOLS AND WORK EQUIPMENT | - | - | - |
| 344 | LABORATORY EQUIPMENT | - | - | - |
| 345 | POWER OPERATED EQUIPMENT | - | - | - |
| 346 | COMMUNICATIONS EQUIPMENT | - | - | - |
| 347 | MISCELLANEOUS EQUIPMENT | - | - | - |
| 348 | OTHER TANGIBLE PLANT | - | - | - |
| | TOTAL WATER PLANT | 3,429,442 | 958,967 | 2,470,475 |

Company Name: FARMERS WATER CO.

Year Ending:

9/30/2001

COMPUTATION OF DEPRECIATION EXPENSE

| Acct No | | (1) Original Cost | (2) Depreciation Percentage | (1) x (2) Depreciation Expense |
|------------|--------------------------------------|-------------------------|-----------------------------------|--------------------------------------|
| 301 | ORGANIZATION | - | - | - |
| 302 | FRANCHISES | 6,893 | - | - |
| 303 | LAND AND LAND RIGHTS | - | - | - |
| 304 | STRUCTURES AND IMPROVEMENTS | 16,000 | 4.0% | 640 |
| | | 11,854 | - | - |
| 307 | WELLS AND SPRINGS | 160,556 | 4.0% | 6,422 |
| | | 12,673 | 10.0% | 211 |
| 311 | ELECTRIC PUMPING EQUIPMENT | 147,897 | 4.0% | 5,916 |
| | | 262 | - | - |
| 320 | WATER TREATMENT EQUIPMENT | 6,000 | 4.0% | 240 |
| | | 3,228 | - | - |
| | | 6,700 | 10.0% | - |
| 330 | DISTRIBUTION RESERVOIRS & STANDPIPES | 6,835 | 6.7% | 456 |
| | | 411,465 | 4.0% | 16,459 |
| | | 13,347 | - | - |
| 331 | TRANSMISSION AND DISTRIBUTION MAINS | 27,188 | 3.7% | 1,007 |
| | | 2,033,484 | 4.0% | 78,752 |
| 333 | SERVICES | 289,714 | 4.0% | 9,946 |
| | | 11,037 | - | - |
| 334 | METERS | 20,801 | 4.0% | 833 |
| | | 78,340 | 10.0% | 6,909 |
| 335 | HYDRANTS | 131,481 | 4.0% | 3,741 |
| 339 | OTHER PLANT & MISCELLANEOUS EQP | - | - | - |
| | | 1,933 | - | - |
| 340 | OFFICE FURNITURE AND FIXTURES | 12,507 | 22.8% | 2,855 |
| | | 6,910 | - | - |
| 341 | TRANSPORTATION EQUIPMENT | 12,337 | 33.3% | 3,348 |
| 343 | TOOLS AND WORK EQUIPMENT | - | - | - |
| 344 | LABORATORY EQUIPMENT | - | - | - |
| 345 | POWER OPERATED EQUIPMENT | - | - | - |
| 346 | COMMUNICATIONS EQUIPMENT | - | - | - |
| 347 | MISCELLANEOUS EQUIPMENT | - | - | - |
| 348 | OTHER TANGIBLE PLANT | - | - | - |
| | TOTAL WATER PLANT | 3,429,442 | | 137,735 |

BALANCE SHEET

| Acct. No. | | 9/30/00 | 9/30/01 |
|--------------|---|------------------------------------|------------------------------|
| | | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
| | ASSETS | | |
| | CURRENT AND ACCRUED ASSETS | | |
| 131 | Cash | \$ (8,619) | \$ (16,605) |
| 134 | Working Funds | | |
| 135 | Temporary Cash Investments | | |
| 141 | Customer Accounts Receivable | 29,579 | 35,407 |
| 146 | Notes/Receivables from Associated Companies | 497,649 | 480,934 |
| 151 | Plant Material and Supplies | | |
| 162 | Prepayments | 1,500 | 100 |
| 174 | Miscellaneous Current and Accrued Assets | | |
| | TOTAL CURRENT AND ACCRUED ASSETS | \$ 520,109 | \$ 499,836 |
| | FIXED ASSETS | | |
| 101 | Utility Plant in Service | \$ 3,307,099 | \$ 3,429,442 |
| 103 | Property Held for Future Use | | |
| 105 | Construction Work in Progress | | |
| 108 | Accumulated Depreciation – Utility Plant | (822,827) | (958,967) |
| 121 | Non-Utility Property | | |
| 122 | Accumulated Depreciation – Non Utility | | |
| | TOTAL FIXED ASSETS | \$ 2,484,272 | \$ 2,470,475 |
| | TOTAL ASSETS | \$ 3,004,381 | \$ 2,970,311 |

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

| Acct. No. | | 9/30/00 | 9/30/01 |
|--------------|---|------------------------------------|------------------------------|
| | | BALANCE AT BEGINNING OF YEAR | BALANCE AT END OF YEAR |
| | LIABILITIES | | |
| | CURRENT LIABILITIES | | |
| 231 | Accounts Payable | \$ 21,223 | \$ 13,680 |
| 232 | Notes Payable (Current Portion) | | |
| 234 | Notes/Accounts Payable to Associated Companies | | |
| 235 | Customer Deposits | | |
| 236 | Accrued Taxes | | |
| 237 | Accrued Interest | | |
| 241 | Miscellaneous Current and Accrued Liabilities | 18,003 | 21,918 |
| | TOTAL CURRENT LIABILITIES | \$ 39,226 | \$ 35,598 |
| | LONG-TERM DEBT (Over 12 Months) | | |
| 224 | Long-Term Notes and Bonds | \$ | \$ |
| | DEFERRED CREDITS | | |
| 251 | Unamortized Premium on Debt | \$ | \$ |
| 252 | Advances in Aid of Construction | 2,969,210 | 2,857,598 |
| 255 | Accumulated Deferred Investment Tax Credits | | |
| 271 | Contributions in Aid of Construction | 95,092 | 103,532 |
| 272 | Less: Amortization of Contributions | (15,773) | (23,525) |
| 281 | Accumulated Deferred Income Tax | | |
| | TOTAL DEFERRED CREDITS | \$ 3,048,529 | \$ 2,937,605 |
| | TOTAL LIABILITIES | \$ 3,087,755 | \$ 2,973,203 |
| | CAPITAL ACCOUNTS | | |
| 201 | Common Stock Issued | \$ 2,500 | \$ 2,500 |
| 211 | Paid in Capital in Excess of Par Value | 497,500 | 497,500 |
| 215 | Retained Earnings | (583,374) | (502,892) |
| 218 | Proprietary Capital (Sole Props and Partnerships) | | |
| | TOTAL CAPITAL | \$ (83,374) | \$ (2,892) |
| | TOTAL LIABILITIES AND CAPITAL | \$ 3,004,381 | \$ 2,970,311 |

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

| Acct. No. | OPERATING REVENUES | PRIOR YEAR | CURRENT YEAR |
|--------------|---|------------|--------------|
| 461 | Metered Water Revenue | \$ 288,790 | \$ 308,877 |
| 460 | Unmetered Water Revenue | 70 | 65 |
| 474 | Other Water Revenues | 9,382 | 7,359 |
| | TOTAL REVENUES | \$ 298,242 | \$ 316,301 |
| | | | |
| | OPERATING EXPENSES | | |
| 601 | Salaries and Wages | \$ 79,620 | \$ 94,754 |
| 610 | Purchased Water | | |
| 615 | Purchased Power | 24,156 | 20,822 |
| 618 | Chemicals | | |
| 620 | Repairs and Maintenance | 7,161 | 19,921 |
| 621 | Office Supplies and Expense | 7,699 | 10,739 |
| 630 | Outside Services | 9,900 | 15,983 |
| 635 | Water Testing | 2,484 | 1,135 |
| 641 | Rents | | |
| 650 | Transportation Expenses | 1,798 | 750 |
| 657 | Insurance – General Liability | | |
| 659 | Insurance - Health and Life | 13,986 | 15,818 |
| 666 | Regulatory Commission Expense – Rate Case | | |
| 675 | Miscellaneous Expense | 9,145 | 4,812 |
| 403 | Depreciation Expense | 122,949 | 129,983 |
| 408 | Taxes Other Than Income | | |
| 408.11 | Property Taxes | 23,085 | 27,919 |
| 409 | Income Tax | | |
| | TOTAL OPERATING EXPENSES | \$ 301,983 | \$ 342,636 |
| | | | |
| | OTHER INCOME/EXPENSE | | |
| 419 | Interest and Dividend Income | \$ | \$ |
| 421 | Non-Utility Income | | 106,817 |
| 426 | Miscellaneous Non-Utility Expenses | | |
| 427 | Interest Expense | | |
| | TOTAL OTHER INCOME/EXP | \$ -- | \$ 106,817 |
| | | | |
| | NET INCOME/(LOSS) | \$ (3,741) | \$ 80,482 |

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

| | LOAN #1 | LOAN #2 | LOAN #3 | LOAN #4 |
|------------------------|----------------|----------------|----------------|----------------|
| Date Issued | NONE | | | |
| Source of Loan | | | | |
| ACC Decision No. | | | | |
| Reason for Loan | | | | |
| Dollar Amount Issued | \$ | \$ | \$ | \$ |
| Amount Outstanding | \$ | \$ | \$ | \$ |
| Date of Maturity | | | | |
| Interest Rate | | | | |
| Current Year Interest | \$ | \$ | \$ | \$ |
| Current Year Principle | \$ | \$ | \$ | \$ |

Meter Deposit Balance at Test Year End

\$ ---

Meter Deposits Refunded During the Test Year

\$ ---

| | | |
|---------------------|--------------------------|----------------|
| COMPANY NAME | FARMERS WATER CO. | 9/30/01 |
|---------------------|--------------------------|----------------|

WATER COMPANY PLANT DESCRIPTION

WELLS

| ADWR ID Number | Pump Horsepower | Pump Yield (Gpm) | Casing Size (inches) | Meter Size (inches) |
|-----------------------|----------------------------|-----------------------------|---------------------------------|--------------------------------|
| 55-534922 (S-52A) | * 30 | 11/01 275 | 8 | 4 |
| 55-624001 (S-52) | 125 | 9/01 700 | 14/12 | 8 |
| 55-624012 (S-5A) | 75 | 11/01 770 | 16 | 8 |
| 55-624011 (E-3A) | 125 | 9/01 1080 | 18 14 16 10 | 8 |
| 55-624025 (W-11) | 200 | 9/01 2200 | 18/16 | 12 |
| 55-624028 (NP-2) | 10 | 12/00 35 | 16 | 2 |

* Pump pulled/replaced July '01
OTHER WATER SOURCES

| Name or Description | Capacity (gpm) | Gallons Purchased or Obtained (in thousands) |
|---------------------------------|---------------------------|---|
| 55-543409 Golf Course (back-up) | 1050 | 0 |
| | | |

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = 181,639

| BOOSTER PUMPS | | FIRE HYDRANTS | |
|----------------------|-----------------|--------------------------|-----------------------|
| Horsepower | Quantity | Quantity Standard | Quantity Other |
| 3/4 | 3 | 118 | |
| 3 | 1 | | |
| 15 | 5 | | |
| 25 | 2 | | |
| 30 | 3 | | |
| 50 | 2 | | |
| 60 | 1 | | |

| STORAGE TANKS | | PRESSURE TANKS | |
|----------------------|-----------------|-----------------------|-----------------|
| Capacity | Quantity | Capacity | Quantity |
| One Million Gallon | 2 | 5,000 gallon | 6 |
| 17,500 Gallon | 2 | | |
| 8,000 Gallon | 1 | | |
| | | | |

STATISTICAL INFORMATION

Total number of customers 1303

Total number of gallons sold 156,262,154 gallons

COMPANY NAME FARMERS WATER CO.YEAR ENDING ^{9/30/01}12/31/2001**INCOME TAXES**

For this reporting period, provide the following:

| | |
|---|--|
| Federal Taxable Income Reported | <u>Not applicable</u> |
| Estimated or Actual Federal Tax Liability | <u>Tax returns are filed as member of</u> <u>consolidated group with Farmers Investment Co.</u> |

| | |
|---|-------|
| State Taxable Income Reported | _____ |
| Estimated or Actual State Tax Liability | _____ |

Amount of Grossed-Up Contributions/Advances:

| | |
|---|----------------|
| Amount of Contributions/Advances | <u>108,905</u> |
| Amount of Gross-Up Tax Collected | <u>--</u> |
| Total Grossed-Up Contributions/Advances | <u>108,905</u> |

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SIGNATURE_____
DATE_____
WARREN E. CULBERTSON
PRINTED NAME_____
CEO
TITLE

COMPANY NAME FARMERS WATER CO. YEAR ENDING ^{9/30/01}~~12/31/2001~~

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 24,004 (fiscal year)

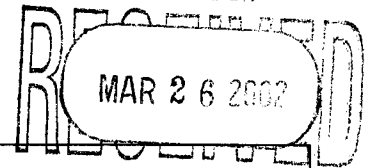
26,595 (calendar year)

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

| |
|--|
| COUNTY OF (COUNTY NAME) PIMA |
| NAME (OWNER OR OFFICIAL) TITLE WARREN E. CULBERTSON, CEO |
| COMPANY NAME FARMERS WATER CO. |

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

| | | |
|----------------------|------------------|---------------------|
| MONTH XX 9 | DAY 30 | YEAR 2001 |
|----------------------|------------------|---------------------|

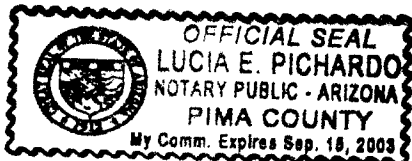
HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 356,210



(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 16,730
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 25th DAY OF

(SEAL)

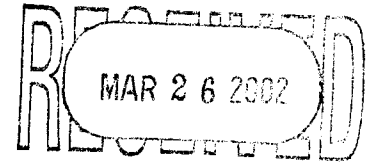
MY COMMISSION EXPIRES Sept. 15, 2003

Warren E. Culbertson
SIGNATURE OF OWNER OR OFFICIAL
520-791-2852
TELEPHONE NUMBER

| | |
|--|---------------------|
| COUNTY NAME <u>PIMA</u> | |
| MONTH <u>March</u> | YEAR <u>2002</u> |
| <u>Lucia E. Pichardo</u> SIGNATURE OF NOTARY PUBLIC | |

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) PIMA

NAME (OWNER OR OFFICIAL)
WARREN E. CULBERTSON

TITLE
CEO

COMPANY NAME
FARMERS WATER CO.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

| MONTH | DAY | YEAR |
|-----------------|------------------|------|
| 12 9 | 31 30 | 2001 |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 255,273

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 12,407

IN SALES TAXES BILLED, OR COLLECTED

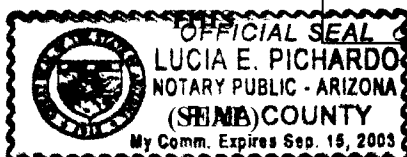
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X

Warren E. Culbertson
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF

MY COMMISSION EXPIRES Sept. 15, 2003

NOTARY PUBLIC NAME

Lucia E. Richardo

COUNTY NAME

PIMA

MONTH

March

. 20 *02*

X

Lucia E. Richardo
SIGNATURE OF NOTARY PUBLIC

REVENUE RECONCILIATION
FISCAL YEAR TO CALENDAR YEAR

| | |
|--|----------|
| FISCAL YEAR OPERATING REVENUE 10/1/00 - 9/30/01 AS REPORTED ON PAGE 8 | 316,301 |
| LESS: REVENUE 10/1/00 - 12/31/00 | (67,088) |
| ADD: REVENUE 10/1/01 - 12/31/01 | 90,266 |
| SALES TAX MONIES BILLED 1/1/01 - 12/31/01 | 16,731 |
| | ----- |
| | 356,210 |

FARMERS WATER CO.

P.O. Box 7
Sahuarita, AZ 85629-0007

Check No. 4913
Check Date 11/01/00

DETACH STATEMENT BEFORE DEPOSITING

| INVOICE NUMBER | DATE | DESCRIPTION | GROSS AMOUNT | DEDUCTIONS | AMOUNT PAID |
|----------------|--------|---------------------|--------------|------------|-------------|
| 30418092F1 | 100100 | 1ST HALF 2000 TAXES | 6.41 | | 6.41 |
| 30418092G0 | 100100 | 1ST HALF 2000 TAXES | 6.41 | | 6.41 |
| 30418097D8 | 100100 | 1ST HALF 2000 TAXES | 6.41 | | 6.41 |
| 30418098E0 | 100100 | 1ST HALF 2000 TAXES | 7.49 | | 7.49 |
| 30418098F9 | 100100 | 1ST HALF 2000 TAXES | 7.49 | | 7.49 |
| 30418098G8 | 100100 | 1ST HALF 2000 TAXES | 7.49 | | 7.49 |
| 3041873907 | 100100 | 1ST HALF 2000 TAXES | 6.41 | | 6.41 |
| 3041894308 | 100100 | 1ST HALF 2000 TAXES | 6.41 | | 6.41 |
| 3041894205 | 100100 | 1ST HALF 2000 TAXES | 6.41 | | 6.41 |
| 9096300009 | 100100 | 1ST HALF 2000 TAXES | 11,941.26 | | 11,941.26 |
| | | | 12,002.19 | | 12,002.19 |

FARMERS WATER Co.

P.O. Box 7
Sahuarita, AZ 85629-0007

BANK OF AMERICA
BANK OF AMERICA, ARIZONA
AGRI-BUSINESS GROUP # 8506
198 N. ALMA SCHOOL RD.
CHANDLER, AZ 85224

91-1701221

CHECK NO. 004913
0004913

DATE

11/01/00

430848

12,002.19

PAY

CHECKS FOR AMOUNTS OVER \$5,000
REQUIRE 2 SIGNATURES

MELVE THOUSAND TWO AND 19/100

TO THE

ORDER OF:

JAMES LEE KIRK
PIMA COUNTY TREASURER
115 N CHURCH AVE
TUCSON AZ 857011199

BY

BY

NON-NEGOTIABLE

AUTHORIZED SIGNATURES

⑈004913⑈ 1122101706⑈

432⑈737475⑈

Check No. 5055
Check Date 04/01

FARMERS WATER CO.

P.O. Box 7
Sahuarita, AZ 85629-0007

DETACH STATEMENT BEFORE DEPOSITING

Stub 1 of 1

| INVOICE NUMBER | DATE | DESCRIPTION | GROSS AMOUNT | DEDUCTIONS | AMOUNT PAID |
|----------------|--------|---------------------|--------------|------------|-------------|
| 30418092F1 | 100100 | 2ND HALF 2000 TAXES | 6.41 | | 6.41 |
| 30418092B0 | 100100 | 2ND HALF 2000 TAXES | 6.41 | | 6.41 |
| 30418097D8 | 100100 | 2ND HALF 2000 TAXES | 6.41 | | 6.41 |
| 30418098E0 | 100100 | 2ND HALF 2000 TAXES | 7.49 | | 7.49 |
| 30418098F9 | 100100 | 2ND HALF 2000 TAXES | 7.49 | | 7.49 |
| 30418098B8 | 100100 | 2ND HALF 2000 TAXES | 7.49 | | 7.49 |
| 30418093907 | 100100 | 2ND HALF 2000 TAXES | 6.41 | | 6.41 |
| 3041809430B | 100100 | 2ND HALF 2000 TAXES | 6.41 | | 6.41 |
| 3041809420S | 100100 | 2ND HALF 2000 TAXES | 6.41 | | 6.41 |
| 9076300009 | 100100 | 2ND HALF 2000 TAXES | 11,941.26 | | 11,941.26 |
| | | | 12,002.19 | | 12,002.19 |

FARMERS WATER CO.

P.O. Box 7
Sahuarita, AZ 85629-0007

BANK OF AMERICA
BANK OF AMERICA ARIZONA
AGRI-BUSINESS GROUP # 8506
198 N. ALMA SCHOOL RD.
CHANDLER, AZ 85224

91-170/1221

CHECK NO. 005055

DATE 04/25/01
AMOUNT \$*****12,002.19

430848

PAY

CHECKS FOR AMOUNTS OVER \$5,000
REQUIRE 2 SIGNATURES

TWELVE THOUSAND TWO AND 19/100

TO THE ORDER OF:
JAMES LEE KIRK
PIMA COUNTY TREASURER
115 N CHURCH AVE
TUCSON AZ 857011199

NON-NEGOTIABLE

AUTHORIZED SIGNATURES

412007374750

005055 1122101706

| VENDOR ID | NAME | PAYMENT NUMBER | CHECK DATE |
|-----------|-----------|-------------------|------------|
| BETH001 | BETH FORD | 00000000000000041 | 11/1/2001 |

| INVOICE # | DATE | DESCRIPTION | GROSS AMOUNT | AMOUNT PAID |
|------------|-----------|---------------------|--------------|-------------|
| 9096300009 | 10/1/2001 | 1ST HALF 2001 TAXES | \$14,547.28 | \$14,547.28 |
| 30418098G8 | 10/1/2001 | 1ST HALF 2001 TAXES | \$7.45 | \$7.45 |
| 30418098F9 | 10/1/2001 | 1ST HALF 2001 TAXES | \$7.45 | \$7.45 |
| 30418098EO | 10/1/2001 | 1ST HALF 2001 TAXES | \$7.45 | \$7.45 |
| 30418092GO | 10/1/2001 | 1ST HALF 2001 TAXES | \$6.37 | \$6.37 |
| 30418092F1 | 10/1/2001 | 1ST HALF 2001 TAXES | \$6.37 | \$6.37 |
| 3041894308 | 10/1/2001 | 1ST HALF 2001 TAXES | \$6.37 | \$6.37 |
| 30465735B5 | 10/1/2001 | 1ST HALF 2001 TAXES | \$4.39 | \$4.39 |

| | | | |
|---------|--------------|-------------|-------------|
| COMMENT | Stub Totals: | \$14,593.13 | \$14,593.13 |
|---------|--------------|-------------|-------------|

COMMENT

FARMERS WATER CO.

P.O. Box 7
Sahuarita, AZ 85629-0007

BANK OF AMERICA
BANK OF AMERICA ARIZONA
AGRI-BUSINESS GROUP # 8506
198 N. ALMA SCHOOL RD.
CHANDLER, AZ 85224
91-170/1221

5234

DATE 11/1/2001
AMOUNT \$14,593.13

PAY Fourteen Thousand Five Hundred Ninety Three Dollars And 13 Cents

**CHECKS FOR AMOUNTS OVER \$5,000
REQUIRE 2 SIGNATURES**
TO THE ORDER OF BETH FORD
PIMA COUNTY TREASURER
115 N CHURCH AVENUE
TUCSON AZ 85701-1199

BY _____
NON-NEGOTIABLE
BY _____
AUTHORIZED SIGNATURES

5234